LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Conservation Auditorium, 1st Floor, State Land & Natural Resources Building, 625 North 4th Street, Baton Rouge, Louisiana, at 9:00 a.m., on **TUESDAY**, **NOVEMBER 16**, **1999**, upon the application of **KCS MEDALLION RESOURCES**, **INC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of an Order pertaining to the following matters relating to the **Upper Hosston Formation**, **Reservoir B** and the **Lower Hosston Formation**, **Reservoir A**, in the West Arcadia Field, Bienville Parish, Louisiana.

- To redefine the Upper Hosston Formation, Reservoir B, insofar and only insofar as U HOSS RB SUA is concerned, as that gas and condensate bearing formation encountered between the depths of 7358' and 8200' (ELM) in the Williamson Oil & Gas, Inc. (formerly Davis Oil Company) - Continental Group No. 31-1-D Well, located in Section 31, Township 18 North Range 6 West.
- 2. To redefine the Lower Hosston Formation, Reservoir A, insofar and only insofar as L HOSS RA SUA is concerned, as that gas and condensate bearing formation encountered between the depths of 8200' and 9987' (ELM) in the Williamson Oil & Gas, Inc. (Formerly Davis Oil Company) Continental Group No. 31-1 Well, located in Section 31, Township 18 North, Range 6 West.
- 3. To designate the Williamson Oil & Gas Inc. Continental Group No. 31-1 Well as the unit well for U HOSS RB SUA and to designate Williamson Oil & Gas, Inc. as operator of said well.
- 4. To authorize KCS Medallion Resources, Inc. to drill, designate and utilize an alternate unit well on U HOSS RB SUA at any legal location within the unit and to designate KCS Medallion Resources, Inc. as operator of said well.
- 5. To authorize KCS Medallion Resources, Inc. to drill, designate and utilize a substitute unit well on L HOSS RA SUA at any legal location within the unit and to designate KCS Medallion Resources, Inc. as operator of said well.
- 6. To specifically recognize Williamson Oil & Gas, Inc. and KCS Medallion Resources, Inc. as the operator of their respective wells located on U HOSS RB SUA and to authorize said operators to separately report production from such wells to the Office of Conservation.
- 7. To authorize the unit allowable for U HOSS RB SUA to be produced from the existing unit well, the proposed alternate unit well, or any combination thereof, at the discretion of the operators.
- 8. To consider such other matters as may be pertinent.

- 3 - Page 2

WEST ARCADIA FIELD 99-634 and 99-635

The Upper Hosston Formation, Reservoir B, in the West Arcadia Field, Bienville Parish, Louisiana, was fully defined in Office of Conservation Order No. 692-A-4, effective on and after May 1, 1981.

The Lower Hosston Formation, Reservoir A, in the West Arcadia Field, Bienville Parish, Louisiana, was fully defined in Office of Conservation Order No. 692-C, effective on and after may 1, 1981.

A plat is available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

PHILIP N. ASPRODITES COMMISSIONER OF CONSERVATION

Baton Rouge, La 10/13/99;10/16/99 S dpe

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE CONTACT <u>DEPARTMENT OF NATURAL RESOURCES</u>, <u>PERSONNEL SECTION</u> AT P.O. BOX 94396, BATON ROUGE, LA 70804-9396 IN WRITING OR BY TELEPHONE (504) 342-2134 BETWEEN THE HOURS OF 8:00 A.M. AND 4:30 P.M., MONDAY THRU FRIDAY WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.